(c) if so, when and what is the present status of it?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI RAMESH BAIS): (a) Government in March, 1997 had decided that Naphtha would be allocated first to the Assam Gas Cracker Project and then to other consumers.

(b) and (c) M/s. Reliance Assam Petrochemicals Ltd. (RAPL), a joint venture of the Assam Industrial Development Corporation (AIDC) and M/s. Reliance Industries Ltd. (RIL), holds a LOI for setting up a Gas Cracker Project in Assam. RAPL had taken some measures such as identification of site, part acquisition of land, conducting Environment Impact Assessment Study etc. However, in view of the objections raised by the Chabua Air Force Authorities, the project was required to be relocated. An alternate site has since been identified and Environment Impact Assessment Study has commenced. As regards issue of feedstock supply, RAPL and Oil India Ltd. (OIL) have initialled the agreed clauses of Gas Supply Agreement on March 14, 2000. However, some issues are currently under negotiation between RAPL and OIL. RAPL maintains that the project is expected to be commissioned within 44 months from the date of finalisation of the Gas Supply Agreement and the handing over of the land, whichever is later.

Policy for Production of Urea By Private Sector

5021. SHRI GOPALSINH G. SOLANKI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government have formulated a new Fertilizer Policy for development of production of urea by private sector in the country;

(b) if so, by when it is likely to be declared; and

(d) the priority fixed by Government for determination of the policy?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI RAMESH BAIS): (a) to (c) As per the industrial policy resolution dated 24th July 1991, no license is normally required for setting up / expansion of fertilizer plants. Entrepreneurs are free to set up fertilizer projects anywhere in the country subject to environmental clearance. Due to near self sufficiency achieved in production of urea and also on the

assessment of demand-supply scenario till the year 2003-2004, the Government has decided not to encourage new capacities for production of urea in the country till the year 2003-2004, over and above those fertilizers projects in the public/cooperative sector for which an "in principle" approval, subject to investment appraisal by Public Investment Board (PIB), has already been accorded. The Government will undertake a reivew of this decision regarding creation of new capacity for production of urea in mid 2001 by taking into account the demand and supply scenario for next 10 years. The new policy for setting up of urea plants will be equally applicable to public sector/cooperative sector/private sector.

New Fertilizer Plants

5022. SHRI B.J. PANDA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) The details of the plan of Government to establish fertilizer plants in Ninth Five Year Plan;

(b) the places identified for establishment of the new fertilizer plants and capacity expected to be added therefrom; and

(c) by which date these new fertilizer plants would commence commercial production?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI RAMESH BAIS): (a) to (c) As per the industrial policy resolution dated 24th July, 1991, no license is normally required for setting up/expansion of fertilizer plants. Entrepreneurs are free to set up fertilizer projects anywhere in the country subject to environmental clearance. However, Public Sector Undertakings / Cooperative Societies under the administrative control of the Department of Fertilizers have to obtain approval of the Government before undertaking such capital expenditure beyond their delegated powers. The details of such fertilizer projects along with their location, capacity and expected date of commissioning, submitted for investment approval of the Government under the prescribed procedure are given in the **Statement-I,** similar details of major fertilizer projects under implementation in the country at present are given in **Statement-II,** and those major fertilizer projects already commissioned during the Ninth Plan are given in **Statement-III** (*See* below).